

**UNITED STATES ATTORNEY'S OFFICE
Western District of Washington**



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**KOREAN SHIPPING COMPANY PLEADS GUILTY TO
DUMPING HUNDREDS OF POUNDS OF OIL
CONTAMINATED WASTE AND PLASTIC INTO THE
PACIFIC OCEAN**

**First Prosecution in Washington for Dumping of
Plastics and Garbage from Marine Cargo Vessel**

STX PAN OCEAN CO., LTD., a South Korean Shipping Company, pleaded guilty today in U.S. District Court in Tacoma to violating the Act to Prevent Pollution from Ships by knowingly failing to maintain an accurate Garbage Record Book. The inaccuracy was a failure to record a dumping incident during which approximately six 55-gallon drums, thirty plastic lined rice sacks, and approximately two hundred garbage bags containing oil contaminated grain were thrown into the ocean during a voyage from Korea to Longview, Washington. Two senior officers of the marine motor vessel (M/V) PAN VOYAGER, a vessel owned and operated by STX, EMILIO D. CANILLO and BONG JUN GANG, pleaded guilty to Misprision of a Felony for failing to notify United States Coast Guard inspectors of the false document. As part of the plea agreement finalized today, the shipping line paid a \$500,000 fine, and made a \$250,000 community service payment to the National Fish and Wildlife Foundation for use in projects to restore Puget Sound. The company also agreed to a stringent environmental compliance plan with outside auditing.

"The Coast Guard is our nation's steward of the maritime environment. Acting collaboratively with personnel from the U.S. Attorney's Office and the Environmental Protection Agency, Coast Guard members from the Pacific Northwest actively identified and relentlessly pursued the investigation of this large-scale violation of international and domestic anti-pollution law, uncovering criminal behavior by a ship that routinely calls on U.S. ports," said Rear Admiral John Currier, Commander of the Thirteenth Coast Guard District. "I sincerely hope that the message to others is clear: the U.S. Coast Guard will use all available resources and expertise to identify, investigate, and pursue the prosecution of those who deliberately cause harm to our marine environment."

According to the facts stated in the plea agreement, the dumping occurred from the M/V PAN VOYAGER, a South Korean flagged 17,000 ton ocean going bulk carrier. In July 2008, the ship was in South Korea unloading grain when crew members discovered a hole in one of the vents leading to a fuel oil tank. A substantial amount of grain spilled into the hole, entered the tank, and contaminated the fuel oil. Senior officers on the vessel subsequently ordered lower level crew members into the tank to remove the contaminated grain. Crew members used buckets and dust pans to remove the grain/fuel oil waste and dump it into the drums, plastic lined rice sacks, and large plastic garbage bags.

On July 24, 2008, the crew used one of the vessel's cargo cranes to

lift the drums, sacks and bags onto the main deck. Working under the cover of darkness, using only flashlights because the ship's Master refused to turn on the deck lights, crew members dumped the waste overboard. The plastic bags and rice sacks were punctured in hopes that they would sink and further reduce the risk of detection. The Master was on the bridge and wing of the ship during the dumping and observed the activity. Coast Guard inspectors discovered that a section of the deck railing had been cut away and then welded back into place to facilitate the illegal dumping.

When the ship arrived in Longview, two whistle blowers provided information related to the dumping. Investigators with the United States Coast Guard and the Environmental Protection Agency boarded the vessel and discovered evidence corroborating the whistle blowers' information. They observed large streaks of oil alongside the outer hull of the ship where the waste was tossed into the sea. The Garbage Record Book made no reference to the dumping. The book was presented to the Coast Guard by the senior officers, knowing that it was false.

"This was a blatant example of marine pollution," said Scott West, Special Agent-in-Charge for EPA's Criminal Investigation Division in Seattle. "This conduct was an insult to anyone who cares about our planet's vital ocean resource and the people who commit crimes like this will be tirelessly prosecuted."

Citing a provision in the Act to Prevent Pollution from Ships authorizing the payment of up to one-half of the criminal fine to persons providing information leading to a conviction, the government requested that United States District Court Judge Benjamin Settle authorize payment of \$125,000 to each of the two whistle blowers. Judge Settle granted the government's request.

The case was investigated by the U.S. Coast Guard and the U.S. Environmental Protection Agency. The case is being prosecuted by Assistant United States Attorney Jim Oesterle, who leads the U.S. Attorney's Office Environmental Crimes Working Group, and Special Assistant United States Attorney LCDR Marc Zlomek, with the U.S. Coast Guard.

For additional information, and for photos of the waste provided by the whistle blowers, please contact Emily Langlie, Public Affairs

